

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7618

BILL NUMBER: HB 1569

DATE PREPARED: Jan 9, 2001

BILL AMENDED:

SUBJECT: Uniform voting systems.

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FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill requires the Indiana Election Division to issue a request for proposals before January 1, 2002, to assist the Commission in determining the best voting system for use in Indiana. It requires the Commission to determine before January 1, 2003, what the best system is for use in Indiana using the factors and evaluation criteria in the request for proposals. It also provides that after January 1, 2004, only the voting system determined by the Commission that best meets all of the factors in the request for proposals may be used in an Indiana election. The bill makes conforming changes in the statutes. This bill also repeals statutes inconsistent with the use of a single voting system in Indiana.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The Indiana Election Commission would be required to send out requests to vendors of voting systems to submit proposals for the selection of a uniform voting system in Indiana. The Election Commission would be required to determine the beset voting system under the guidelines of this bill. Testing of these systems can be accomplished using an independent testing authority (ITA). There are two ITAs that test voting systems for the Commission. Wyle Laboratories tests hardware and Nickels Research tests the software components. The Commission should have no additional expenses for the testing and approval process. Vendors of voting systems are required to pay the cost of the independent testing.

Explanation of State Revenues: Once the independent testing is completed, the vendor must pay a fee of \$1,500 to the Commission for a series of hearings held by the Commission.

Explanation of Local Expenditures: The bill would require the county executive to purchase the Commission approved voting system by the primary election of 2004.

Currently, there are four main types of voting systems that are certified for use in Indiana. These systems

include the punch card, lever machines, direct recording electronic (DRE) and optical scan. The following table illustrates the current voting systems that are approved by the Indiana Election Commission.

Manufacture/Model	Type	Cost per unit
AVM & Shoup	Lever Machine	N/A
ESS/PCBT	Punch Card	\$25,000
ESS/OPTECH 3-P	Optical Scan	\$5,500
Micro Vote/MV464	Direct Recording Electronic	\$4,450
GBS/Accuvote ES-2000	Optical Scan	\$5,000

Based on information provided by Government Business Systems, Election Systems and Software, Microvote, and the Indiana Election Commission, some of these systems listed above are priced by precinct. There are currently 5530 precincts in the state. Approximately one OPTECH 3-P would be required per precinct in a county adopting this voting system. As an alternative, approximately one MV464 machine would be required for every block of 300-400 registered voters in a county, or approximately 70% turnout. It is suggested that one ES-2000 machine would be required per polling location. Punch card machines are generally purchased at one unit per county. Sometimes larger counties would purchase two. The approval by the Indiana Election Commission to market the ES-2000 expires in February 2002. Approval to market the OPTECH 3-P expired October 18, 2000. Approval for the marketing of the MV464 expires in September of 2002. The timing of the expirations, assuming no renewal by the Commission, could contribute to the timing of action taken in respective counties.

Note: The impact to the counties would depend on the type of voting system approved by the Election Commission. Based on the types of systems currently approved, it is estimated the impact on the counties to unify their voting systems to use all OPTECH 3-P or DRE MV464 machines could be approximately \$18 M to \$32 M.

Explanation of Local Revenues:

State Agencies Affected: Indiana Election Commission.

Local Agencies Affected: Counties

Information Sources: Kristi Robertson, Lori Hershberger, Indiana Election Division (317) 232-3939; Rob McGinnis, Election Systems and Software (317) 913-0230; Steve Corey, Government Business Systems, 1-800-659-1516; Steve Shamo, Micro Vote, (317) 257-4900.